

## Prince George's County Council

### Agenda Item Summary

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**Meeting Date:** 5/27/2004  
**Reference No.:** CR-035-2004  
**Draft No.:** 2  
**Proposer(s):** County Executive  
**Sponsor(s):** Knotts  
**Item Title:** A Resolution to endorse the loan to be provided from the Maryland Economic Development Assistance Fund to Freeman Decorating Services, Inc., and to authorize a County loan to Freeman Decorating Services, Inc.

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**Drafter:** David Leibowitz, Office of Law  
**Resource Personnel:** William F. Gardiner, EDC

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#### LEGISLATIVE HISTORY:

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|----------------------------|--|--------------------------|-------------|
| <b>Date Presented:</b>     |  | <b>Executive Action:</b> | 8/16/2004 S |
| <b>Committee Referral:</b> | 5/27/2004 - PSFM                                 | <b>Effective Date:</b>   | 7/27/2004   |
| <b>Committee Action:</b>   | 6/9/2004 - FAV(A)                                |                          |             |
| <b>Date Introduced:</b>    | 5/27/2004  |                          |             |
| <b>Public Hearing:</b>     |  |                          |             |
| <b>Council Action (1)</b>  | 7/27/2004 - ADOPTED                              |                          |             |
| <b>Council Votes:</b>      | MB:A, SHD:A, TD:A, CE:-, DCH:A, TH:A, TK:A, DP:A |                          |             |
| <b>Pass/Fail:</b>          | P  |                          |             |
| <b>Remarks:</b>            |  |                          |             |

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#### AFFECTED CODE SECTIONS:

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#### COMMITTEE REPORTS:

##### PUBLIC SAFETY & FISCAL MANAGEMENT COMMITTEE

**Date 6/9/2004**

Committee Vote, Favorable as amended, 4-0, (Peters, Hendershot, Harrington, and Shapiro.)

This resolution will endorse and authorize the financing of the Freeman Decorating Service, Inc., project located in Lanham, Maryland. The State, through the Maryland Economic Development Assistance Authority Fund, (MEDAF), has offered an amount not to exceed \$100,000 as a conditional loan contingent upon the County Council's authorization to Freeman Decorating Services, Inc. The County is required to provide a matching conditional loan of 10% (\$10,000) for the project. The \$10,000 for the County's match will come from the County's Incentive Leverage Fund which is managed by the Economic Development Corporation.

The proceeds from the loan will be used to reimburse Freeman Decorating Services, Inc., for the purchase of 12 acres of land and for the construction of a 160,000 square foot facility in Lanham to be used as office and warehouse space. The company is a national conference and trade show organizer and is re-locating its operation from

Alexandria, Virginia. The new facility will serve as a light manufacturing and distribution hub for the exhibit services it provides. If Freeman Decorating Services, Inc., employs and retains at least 60 permanent full-time employees through December 31, 2008 at the facility in the County, the conditional loan from the State will convert to a grant. Freeman Decorating Services, Inc., will invest approximately \$11 million in the facility.

The bill was amended by substituting a new Exhibit A.

The Committee expressed their concerns about the builder's Minority Business Enterprise (MBE) participation and the dedication of some of the jobs to the residents of the community

There will not be any negative fiscal impact on the County as a result of adopting CR-35-2004.

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**BACKGROUND INFORMATION/FISCAL IMPACT:**

(Includes reason for proposal, as well as any unique statutory requirements)

This resolution will endorse a loan to Freeman Decorating Services, Inc., ("Freeman") not to exceed \$100,000 from the Maryland Economic Development Assistance Fund and authorize a County loan not to exceed \$10,000 from the County Incentive Leverage Fund, managed by the Prince George's Economic Development Corporation. The proceeds of these loans will be used to reimburse Freeman for a portion of the costs of acquiring land and constructing a building in the County.

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**CODE INDEX TOPICS:**

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**INCLUSION FILES:**

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